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MEMORANDUM FOR: Deputy Director of Central Intelligence

SUBJECT: CIA/DOD Management Relations Problems
Under the NRO Concept

1. Ever since the advent of the U-2 there has been a power struggle between the Central Intelligence Agency (CIA) and the United States Air Force (USAF) as to which would control, manage, and operate covert reconnaissance over denied territory. The decision, at the time of the U-2, was that such control and management would rest with the CIA. The USAF would provide logistical and administrative support. The resulting management structure during the U-2 era resulted in a one-man show run by Mr. Richard M. Bissell, who controlled the entire project, including the development, the technical direction, funding, contracting, security, and operations. Colonel Geary was in charge of providing the support of the Air Force facilities, such as, bases, industrial equipment, fuel, transportation, personnel, and all base and ground support facilities, without which the program could obviously not have been accomplished within the CIA. The Air Force also furnished a majority of the funds. This management structure was ideal - Mr. Bissell had control of all the resources required, and reported to no-one except Mr. Dulles, who had in turn delegated complete freedom and authority to Mr. Bissell, with a requirement that he only be kept informed of major milestones and events.

2. Since the U-2, the appearance of additional and sophisticated systems and their related functions has created a very complex management situation. Instead of one reconnaissance system we now have the U-2, its follow-on aircraft system the A-12, a whole family of satellites, and greatly enlarged related functions; such as, photographic processing, electronic warfare and countermeasures,

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NRO review(s) completed.

contracting, security, and numerous new developments which are under consideration or have been recommended by various sources. This expanding arsenal of systems, projects, programs, and functions produced an expanding bureaucracy. Instead of a one-man single manager direction of the covert reconnaissance program, we have the Special Group; DCI; DDCI; D/NRO; DD/S&T; AD/OSA; Director, Program A, NRO; Director, Program B, NRO; Director, Program D, NRO; Under Secretary of the Air Force; and DSOD, all involved in directing the covert reconnaissance plan.

3. As the covert reconnaissance activity grew, the NRO was created to provide a functional organization which would control all covert reconnaissance systems and operations within the parameters of a national reconnaissance plan. Such an organization could be made to work but requires one of two things; (1) a chief executive who has the final decision in the assignment of functions and responsibilities among the participating and competing groups, or, (2) by compromise agreement by the groups on the division of functions. In the case of the NRO, neither of these two is evident. Attached is a listing of major projects plotted against five major management functions. Question marks depict areas of dispute and/or absence of any definitive assignment of responsibility.

4. Such disputes have resulted in considerable confusion and a slow-down of the entire National Reconnaissance Plan because of the large amount of time and resources devoted to argument.

5. It is imperative that this condition not be allowed to continue. The solution is really not difficult. Only two things are required: first, there must be a broad policy decision made between the Secretary of Defense, the DCI, or the President. In this respect there are four choices:

a. Make the NRO concept workable. This will take compromise, mutual respect, prior consultation on matters of substance, and getting together to agree on some logical division of responsibilities.

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b. Disband the NRO as unworkable and let the CIA and DOD act independently in the acquisition and control of covert reconnaissance systems.

c. Let the situation continue as it is presently operating, and permit participating groups to maneuver and struggle for power and control. Such a line of action is sometimes justified because it provides competition. Under detailed consideration this advantage is not likely to compensate for the inefficiency and confusion which necessarily results from such an arrangement.

d. Have the President assign the total covert reconnaissance function to either the CIA or the DOD. It should be pointed out that in terms of pure capabilities the DOD could provide all necessary functions, facilities, and other assets to singularly carry out such an assignment. The CIA could not, without assistance from the DOD.

Assuming that the broad policy decision is made to the effect that a NRO is desired from a national standpoint then the second thing that must be done is to assign the projects, programs, and functional tasks to the various program directors in a manner which will result in an acceptable compromise between the CIA and the DOD. Experience over the past year has demonstrated the futility of attempting to assign these responsibilities on a piecemeal basis.

6. If such a division of assignments is made there are several logical division of functions, I recommend the following as a departure point for discussion:

a. Give over-all management responsibility for all satellite programs to the Director of Program A with adequate representation on control boards and evaluation committees to Program B. There can be little doubt that the present Director of Program A has adequate facilities and know-how to perform this assignment. He reports directly and exclusively to the D/NRO and this presumably would make him immediately responsive to the requirements of the DCI.

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b. Assign initial development of the covert satellites to the Director, Program B. The special management techniques available to the Director, Program B provide the most secure environment for the initial development of specialized highly covert systems.

c. Consistent with the reasons as stated in 6.b. above, assign most new developments in the entire field of covert reconnaissance capabilities to include such initial studies as follow-on aircraft, image intensifiers, etc., to Program B.

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d. Reaffirm the assignment of the U-2, OXCART, and [] total management responsibility of Director, Program B.

e. Eliminate the [] consolidating those aircraft into the OXCART program.

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f. Continue management relations of KEDLOCK and R-12 as presently administered.

g. Assign all management functions for photographic processing, photographic supply procurement, and photographic R&D to Director, Program B. This would include complete management control of the Eastman facility and the assignment of processing tasks to the Westover Air Force facility, the Suitland Naval Processing facility, [] as required to meet the National Reconnaissance Plan.

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h. In line with the above assignments assign the satellite vulnerability project to Director, Program A and assign the aircraft vulnerability and countermeasures to Director, Program B.

i. Leave the satellite operations center under the Director, NRO.

j. Leave the air operations center under Director, Program B.

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k. Cancel the TACEOARD program. This program is controversial, dilutes Lockhead's over-all capability, threatens the security of the OKCAAT program, and has little operational success probability because of multiple systems involved.

1. Assign other smaller projects or tasks, such as,

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on a timely basis clearly defining responsibilities in those management areas of technical direction, operational control, contracting, security, and budgeting.

(Signed) Jack C. Lefford
JACK C. LEFFORD
Colonel USAF
Assistant Director
(Special Activities)

Attachments - 2

cc: DD/S&T

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Attachment #2,

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MAJOR QUESTIONS OF NRO MANAGEMENT CAUSING
CONFLICT BETWEEN PARTICIPATING GROUPS

1. Who directs schedules, and programs for film processing?
2. Who directs the development of better processing methods, equipment, and techniques?
3. Who controls the scheduling of satellites?
4. Who has technical direction and decision making authority in the satellite payload area?
5. Who will have technical direction and operational control of TAGBOARD?
6. Who is responsible for developing capabilities in:

7. Who is responsible for implementing Purcell Panel recommendations?

8. What is

9. Who will manage the Covert Satellite Program?
10. Who will manage any OXCART follow-on aircraft program?
11. Who should control (OXCART)?

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12. What is the division of management responsibilities in the areas of technical direction, operational control, security, contracting, and budgeting among all the projects and programs under the NRO?

13. What are the budget and funding procedures within the NRO and between its participating groups?

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d. Have the President assign the total covert reconnaissance function to either the CIA or the DOD. It should be pointed out that in terms of pure capabilities the DOD could provide all necessary functions, facilities, and other assets to singularly carry out such an assignment. The CIA could not, without assistance from the DOD.

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(Signed) Jack C. Ledford

JACK C. LEDFORD
Colonel USAF
Assistant Director
(Special Activities)

Attachments - 2

cc: DD/S&T

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DRAFT
MSC:hp (14 August)

The Honorable Eugene G. Fubini
Deputy Director of Defense Research & Engineering
Department of Defense
Washington 25, D. C.

Dear Gene:

This responds to your memorandum of 8 July, Subject: JCS, NRO Relations, which forwarded for comment a draft, proposed agreement between D/NRO and JCS-JRC prepared by Dr. McMillan and you as a shortened version of an agreement previously submitted to Mr. McCone by Mr. Gilpatric.

I have spent much time reviewing the new, shortened version of the proposed agreement, especially in the light of Mr. McCone's letter of 11 June to Mr. McNamara. While it is a shortened version of the agreement, it does not address itself to the major points of difference that Mr. McCone so clearly covered in his letter of 11 June. I would be less than frank with you if I did not state that I am at a complete loss to understand just what the purpose of this proposed agreement is and just what benefits will derive from it, especially in the furtherance of a program for the collection of intelligence information.

I should point out that the Director of Central Intelligence, through the Central Intelligence Agency, has established and maintained

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for almost ten years an Air Operations Center under which all covert overhead reconnaissance flights are planned and executed. This Air Operations Center is in existence and continues to operate successfully. As pointed out by Mr. McCone in his 11 June letter to Mr. Gilpatric, "With the exception of the U-2 and low level reconnaissance flights over Cuba [REDACTED] 25X

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[REDACTED] all reconnaissance flights [REDACTED] 25X1

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[REDACTED] conducted by the United States [REDACTED] 25X

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[REDACTED] have been executed by the operational division of

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CIA." [REDACTED]

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[REDACTED] The BRASS KNOBS are clearly accepted as an overt, military activity of the United States Government. These two types of flights are the only penetration flights of "denied areas" [REDACTED] 25X1

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[REDACTED] which is under the operational control of Director, NRO.

I can see no valid reason for combining under a single entity the operational control of NRO denied territory overflights and DOD (JRC) peripheral mission flights. If this is desired with a view toward coordinating such activities, it appears unnecessary since there are already in existence procedures and well-defined understandings between the NRO (CIA operations element) and the JRC under which the JCS is

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kept fully aware of NRO overflight activities on a very current basis. If the problem here is one of higher-level policy, then the coordination is effected at the Special Group (5412) meetings and I would strongly support a move on the part of the Department of Defense to have a JCS representative available at such meetings when denied area overflights are discussed.

I am sure you realize that existing relationships between CIA operational elements, acting in behalf of the NRO, and the United States Air Forces are close and totally adequate. If the JRC were to be injected into this relationship, it would appear to me to complicate and encumber what are now quite workable methods for technical and operational coordination and technical and planning support for denied area overflights.

I agree that during periods of war, or at imminence of hostilities, or in theaters of active, military operations, or in periods of high tension, it would be appropriate for higher authority (and I would consider higher authority to be either a Presidential directive or mutual agreement between the Director of Central Intelligence and the Secretary of Defense) to authorize overt, military overflights of denied areas -- in such a case, this would be clearly a military

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responsibility and should be assumed by the JCS in areas so designated. In this connection, there is already an Emergency War Plans Operations Order to which CIA and SAC have agreed which facilitates such action. During the Cuban crisis such a transfer was effected smoothly and expeditiously, as you know.

The initial proposal for an NRO/JCS Agreement was generated sometime back in April and has been through a number of revisions at the working level as well as several at the policy level. We seem to be no closer to an agreement than we were at the beginning, and I think this is primarily because we do not have a meeting of the minds as to just what the purpose of the agreement is, i. e., what is it to accomplish that is not now being accomplished in a perfectly adequate and entirely satisfactory manner, what errors of omission or ^mcommission is it designed to correct, what transfer or realignment of responsibilities is it designed to effect, and basically what is being done that should not be done and what is not being done that should be done?

In the belief, then, that it may be desirable from the standpoint of the Department of Defense to have the NRO execute, supervise, guide, and control those specific, denied area overflights now being conducted by JRC -- i. e., BRASS KNOB [] missions -- and in accord with my expressed agreement that the NRO should be prepared

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to effect transfer to the military of certain overflights during periods of hostilities, I have attached a draft, proposed agreement which I think will clearly put these two factors in proper perspective.

I suggest that we get together around the table at your convenience to see what additional articles of what treaties need to be negotiated -- I am certain we all have only one mission in mind in this connection -- the most expeditious collection of usable intelligence information with the least disruption of command prerogatives and the most economical utilization of all of our combined resources.

Faithfully yours,

Marshall S. Carter
Lieutenant General, USA
Deputy Director

DRAFT - MSC sec --14 Aug 63

AGREEMENT

D/NRO and JCS-JRC

1. This agreement establishes arrangements for NRO supervision and control of aircraft reconnaissance flights over denied areas or other sensitive regions.

2. In order to insure that technical and operational coordination is provided between JCS operated missions and NRO operated missions; that NRO and JCS are kept fully informed on all mission planning and mission status; that necessary logistic and operational support can be provided with adequate lead times, the D/NRO and the JCS agree that:

a. The Chief, JRC will report to the D/NRO and will make the services of JRC available as the D/NRO directs, for the implementation of all aircraft reconnaissance operations conducted by the JRC over denied areas or other sensitive regions.

b. The duties of the JRC will be in accordance with existing directives, understandings, and arrangements, amplified where necessary to reflect additional functions assigned to the JRC by the D/NRO in accordance with a. above.

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3. During periods of war or tension as determined by Higher Authority or as agreed by the Director of Central Intelligence and the Secretary of Defense, and over such areas as may be designated by them at that time, airborne reconnaissance missions will become the responsibility of the JCS and necessary control and resources will be transferred from the NRO as required.

4. Except as specified above, nothing in this agreement alters existing arrangements for the conduct of NRO airborne reconnaissance missions and the technical and logistic support thereof by the JCS and the military services, nor does it alter the basic NRO agreement of 13 March 1963 between the Director of Central Intelligence and the Secretary of Defense.

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